



# ***COMMITTEE of the WHOLE***

## ***CITY COUNCIL***

**MINUTES**  
**June 13, 2011**  
**5:00 P.M.**

### **COUNCIL MEMBERS PRESENT:**

D. Reed, S. Marmarou, V. Spencer, D. Sterner, F. Acosta, M. Goodman-Hinnershitz

### **OTHERS PRESENT:**

L. Kelleher, S. Katzenmoyer, F. Denbowski, C. Geffken, C. Younger, N. Nemeth, D. Wright, C. Jones, R. Johnson, S. Wise from Camp Lily

Mr. Spencer called the Committee of the Whole meeting to order at 6:37 p.m.

### **I. Elm View Apartments**

Mr. Wright stated that Community Development is finalizing this issue in the best interest of the City. He stated that he is continuing his evaluation of this transaction.

Mr. Geffken stated that the Administration will meet with Mr. Becker after a decision has been made. He recommended that Council table the resolution on this evening's agenda.

Mr. Votsay and Mr. Miravich arrived at this time.

Mr. Geffken stated that Council action will be taken at their June 27 meeting.

### **II. CD Loan Forgiveness**

Mr. Wright stated that this situation dates back to the mid 1980's – mid 1990's. He stated that the issue has had a legal review and that the Act 47 Recovery Plan recommends that the City clear these loans off their books. He stated that he continues to gather historical background and that the items have undergone a more recent evaluation.

Mr. Geffken reminded Council that this resolution failed at the May 23 meeting for lack of a second.

Mr. Acosta noted the need to be sure that another situation like Uhrig does not happen again. Mr. Wright stated that the resolution will be re-written to clarify the information.

Ms. Reed noted that the Uhrig situation was terrible and cannot happen again. She agreed with the need for the resolution to be clarified. She stated that a reputation has been tarnished and deserves a public apology.

Mr. Geffken stated that the resolution will be rewritten for Council action at the June 27 meeting. He requested that this resolution be tabled this evening.

Ms. Goodman-Hinnershitz stated that a dangerous precedent has been established where Council is asked to take action on items without informative discussions. She noted the need for complete information. Mr. Geffken stated that this information will be verified before being included in the resolution.

Mr. Marmarou questioned how many loans are collectible. Mr. Wright stated that there is only one loan that has been deemed collectible.

Ms. Goodman-Hinnershitz stated that discussions on this topic began several years ago.

Mr. Acosta suggested that the resolution be divided to address each situation separately.

### **III. Camp Lily Update**

Mr. Jones stated that there are problems with the water pump and possibly the well. He stated that the pump will be replaced and the well inspected. He stated that this work must be done quickly in order to open the camp on time.

Ms. Goodman-Hinnershitz stated that there are only two weeks until camp opens. Mr. Geffken stated that this will be treated as an emergency.

Ms. Goodman-Hinnershitz noted that deferred maintenance will continue to cause these types of problems.

Mr. Jones estimated the cost as \$15,000 - \$20,000 if there are problems with the well.

Mr. Marmarou suggested that Rotary Park assist with water to fill the pool. Mr. Jones stated that this would be okay to do but that the camp would still need bath facilities.

Ms. Goodman-Hinnershitz questioned who was responsible for the cost of the repair. Mr. Geffken stated that the City is responsible.

#### **IV. Waste Water Treatment Plant**

Mr. Spencer requested that this be a brief presentation as time is short. Mr. Votsay distributed copies of his power point presentation. He stated that the Act 537 study would serve as a planning document for the project. He stated that a model will be used for calculations.

Ms. Goodman-Hinnershitz expressed the belief that this study should have been completed before beginning the plant design. Mr. Geffken stated that this study should be done every 10 – 20 years. He stated that the consent decree replaced the need for the City to conduct the study but that Penn Vest requires the study for their loans. He stated that the study may influence the size of the plant and the necessary improvements. He stated that if the study shows flows lower than anticipated in the consent decree that the cost of the project may decrease. He stated that the City has been making good progress on the consent decree and is building credibility with the Department of Justice.

Ms. Reed noted that the economic and housing downturn may affect the study as housing has slowed and has also slowed the need for the plant's continued growth.

Mr. Miravich explained that municipalities are always behind on this study as the lengthy process can delay projects. He stated that this a condensed schedule and will not delay the consent decree.

Mr. Votsay explained that the study will cost approximately \$143,000. He stated that the invoice will be submitted to PA DEP and there is the possibility of partial reimbursement.

Mr. Geffken stated that Spotts, Stevens, McCoy was ranked best through the RFP process.

Mr. Votsay stated that current operations at the WWTP are going very well and that finable incidents have decreased. He explained that he included design costs in the soft costs as part of the calculation of the project cost. He noted his hope that the project will come in under budget.

Mr. Spencer explained that the Act 537 study is required.

#### **V. Microloan Program**

Mr. Geffken suggested that Council table this resolution.

Mr. Nemeth explained that Mr. Lowenstein is concerned that the City will not pass the HUD timeliness test. He stated that transferring the funds to this program will allow their quick

use. He explained that funds can be transferred back out of the microloan program if the City finds other ways to use the funds. He stated that this would fund a second microloan program.

Mr. Spencer noted that there may be better uses for these funds. Mr. Geffken stated that they need to be brick and mortar projects.

Mr. Acosta suggested using part of the funds for the 5<sup>th</sup> & Bingaman traffic signal installation and for library improvements.

Ms. Goodman-Hinnershitz noted her distress that Council always learns of the unprogrammed funds at the last minute. Mr. Geffken noted that Community Development is trying harder to inform Council more quickly.

Mr. Spencer questioned how projects are monitored. Mr. Wright stated that CD staff does inform department directors that they need to keep projects moving forward and requires milestones.

Mr. Spencer questioned when funding is taken back from projects showing no forward movement. Mr. Geffken stated that it depends on the project.

Mr. Acosta noted that there have historically been problems with the City making loans. He suggested that with the brief timeline that the funds be spent on City facilities. Mr. Geffken stated that the Administration would need to know the specifics of the projects.

Mr. Nemeth explained that the City has a federal line of credit. He stated that HUD reviews the balance annually and funds that are unspent are taken back. He stated that in order to qualify for this program year, a project must have an invoice by October.

Mr. Spencer suggested a Committee of the Whole on June 20 to discuss possible projects. Mr. Geffken suggested that the radio tower topic on the Public Works agenda would also be more appropriate as a Committee of the Whole topic. Ms. Kelleher suggested that these topics be addressed at the work session to allow a full session for the Finance Committee.

## **V. Agenda Review**

Council reviewed this evening's agenda including the following:

- Resolution approving a Sewage Module for 209 Lancaster Ave.

Mr. Jones explained that this is for the Family Wash Day laundromat.

- Award of Contract for WWTP roof repairs

Mr. Johnson explained that the roofs of two buildings are in need of repair. He stated that the price includes the base bid cost and alternate #2.

The meeting adjourned at 7:20 pm.

Respectfully Submitted  
*Linda A. Kelleher, CMC, City Clerk*